

# Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name <b>CHARTER TOWNSHIP OF JAMESTOWN</b>	County <b>OTTAWA</b>
Audit Date <b>3/31/04</b>	Opinion Date <b>7/2/04</b>	Date Accountant Report Submitted to State: <b>9/22/04</b>	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			✓
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) <b>Siegfried Crandall PC</b>			
Street Address <b>246 East Kilgore Road</b>		City <b>Kalamazoo</b>	State <b>MI</b>
Accountant Signature <i>Siegfried Crandall P.C.</i>		ZIP <b>49002-5599</b>	
		Date <b>9/22/04</b>	

*Charter Township of Jamestown*  
*Ottawa County, Michigan*  
**FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORT**  
*Year ended March 31, 2004*

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**INDEPENDENT AUDITORS' REPORT**

**Board of Trustees  
Charter Township of Jamestown, Michigan**

We have audited the accompanying general purpose financial statements of the Charter Township of Jamestown, Michigan, as of March 31, 2004, and for the year then ended, as listed in the contents. These general purpose financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Charter Township of Jamestown, Michigan, as of March 31, 2004, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with U.S. generally accepted accounting principles.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplementary information and other supplementary data, as listed in the contents, are presented for purposes of additional analysis and are not required parts of the general purpose financial statements of the Charter Township of Jamestown, Michigan. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

The other information designated as "Securities and Exchange Commission Rule 15c2-12 Continuing Disclosure" in the contents is also presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Charter Township of Jamestown, Michigan. Such information has not been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, accordingly, we express no opinion thereon.

*Siegfried Crandall P.C.*

July 2, 2004

## **GENERAL PURPOSE FINANCIAL STATEMENTS**

**Charter Township of Jamestown**  
**COMBINED BALANCE SHEET - all fund types and account groups**  
March 31, 2004

		<i>Governmental fund types</i>		
		<i>General</i>	<i>Special revenue</i>	<i>Debt service</i>
<b>ASSETS</b>				
Cash		\$ 1,138,188	\$ 955,897	\$ 201,187
Receivables:				
Taxes		9,836	8,863	3,068
Accounts		19,479	1,706	-
Special assessments		-	-	3,094
Due from other funds		51,937	115	-
Due from other governmental units		47,206	-	-
Fixed assets (net, where applicable, of accumulated depreciation)		-	-	-
Amount available in debt service funds		-	-	-
Amount to be provided for retirement of general long-term debt		-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>		<u><b>\$ 1,266,646</b></u>	<u><b>\$ 966,581</b></u>	<u><b>\$ 207,349</b></u>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>LIABILITIES:</b>				
Accounts payable		\$ 27,293	\$ 2,007	\$ -
Accrued expenses		-	17,000	-
Due to other funds		115	24,405	-
Due to other governmental units		-	-	-
Escrow deposits		-	-	-
Deferred revenue		-	-	3,094
Long-term debt		-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities</b>		<u><b>27,408</b></u>	<u><b>43,412</b></u>	<u><b>3,094</b></u>
<b>FUND EQUITY:</b>				
Investment in general fixed assets		-	-	-
Retained earnings - unreserved, undesignated		-	-	-
Fund balance:				
Reserved for perpetual care		2,481	-	-
Reserved for debt service		-	-	204,255
Unreserved:				
Designated for capital expenditures		-	133,941	-
Designated for road reconstruction		347,070	-	-
Undesignated		889,687	789,228	-
		<u>1,239,238</u>	<u>923,169</u>	<u>204,255</u>
<b>Total fund equity</b>		<u><b>1,239,238</b></u>	<u><b>923,169</b></u>	<u><b>204,255</b></u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>		<u><b>\$ 1,266,646</b></u>	<u><b>\$ 966,581</b></u>	<u><b>\$ 207,349</b></u>

<i>Proprietary fund type</i>	<i>Fiduciary fund type</i>	<i>Account groups</i>		<i>Totals (memorandum only)</i>
<i>Enterprise</i>	<i>Agency</i>	<i>General fixed assets</i>	<i>General long- term debt</i>	
\$ 1,551,794	\$ 10,192	\$ -	\$ -	\$ 3,857,258
-	-	-	-	21,767
72,952	-	-	-	94,137
1,021,478	-	-	-	1,024,572
38,885	-	-	-	90,937
96,550	274,139	-	-	417,895
6,279,693	-	3,010,442	-	9,290,135
-	-	-	204,255	204,255
-	-	-	487,695	487,695
<u>\$ 9,061,352</u>	<u>\$ 284,331</u>	<u>\$ 3,010,442</u>	<u>\$ 691,950</u>	<u>\$ 15,488,651</u>
\$ 37,629	\$ -	\$ -	\$ -	\$ 66,929
46,100	-	-	-	63,100
66,417	-	-	-	90,937
-	274,139	-	-	274,139
-	10,192	-	-	10,192
-	-	-	-	3,094
3,070,000	-	-	691,950	3,761,950
<u>3,220,146</u>	<u>284,331</u>	<u>-</u>	<u>691,950</u>	<u>4,270,341</u>
-	-	3,010,442	-	3,010,442
5,841,206	-	-	-	5,841,206
-	-	-	-	2,481
-	-	-	-	204,255
-	-	-	-	133,941
-	-	-	-	347,070
-	-	-	-	1,678,915
<u>5,841,206</u>	<u>-</u>	<u>3,010,442</u>	<u>-</u>	<u>11,218,310</u>
<u>\$ 9,061,352</u>	<u>\$ 284,331</u>	<u>\$ 3,010,442</u>	<u>\$ 691,950</u>	<u>\$ 15,488,651</u>

See notes to financial statements



**Charter Township of Jamestown**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - all governmental fund types**

Year ended March 31, 2004

	<u>General</u>	<u>Special revenue</u>	<u>Debt service</u>	<u>Totals (memorandum only)</u>
REVENUES:				
Taxes	\$ 161,063	\$ 619,731	\$ 127,409	\$ 908,203
Licenses and permits	224,504	-	-	224,504
State grants	358,839	4,202	-	363,041
Charges for services	42,051	-	-	42,051
Fines and forfeitures	5,558	19,608	-	25,166
Interest and rentals	42,671	11,009	302	53,982
Other	27,849	5,483	1,949	35,281
Total revenues	<u>862,535</u>	<u>660,033</u>	<u>129,660</u>	<u>1,652,228</u>
EXPENDITURES:				
Legislative	8,451	-	-	8,451
General government	260,392	-	700	261,092
Public safety	196,612	139,917	-	336,529
Public works	432,855	-	-	432,855
Community and economic development	41,036	-	-	41,036
Recreation and cultural	3,983	168,659	-	172,642
Capital outlay	-	13,515	-	13,515
Debt service:				
Principal	-	-	60,868	60,868
Interest and fiscal charges	-	-	33,708	33,708
Total expenditures	<u>943,329</u>	<u>322,091</u>	<u>95,276</u>	<u>1,360,696</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(80,794)</u>	<u>337,942</u>	<u>34,384</u>	<u>291,532</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers in	386,759	-	-	386,759
Operating transfers out	-	(386,759)	-	(386,759)
Total other financing sources (uses)	<u>386,759</u>	<u>(386,759)</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>305,965</u>	<u>(48,817)</u>	<u>34,384</u>	<u>291,532</u>
FUND BALANCE - BEGINNING OF YEAR	<u>933,273</u>	<u>971,986</u>	<u>169,871</u>	<u>2,075,130</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,239,238</u>	<u>\$ 923,169</u>	<u>\$ 204,255</u>	<u>\$ 2,366,662</u>

See notes to financial statements

**Charter Township of Jamestown****COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES - BUDGET AND ACTUAL - general and special revenue funds***Year ended March 31, 2004*

	<i>General</i>		
	<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>
REVENUES:			
Taxes	\$ 159,912	\$ 161,063	\$ 1,151
Licenses and permits	215,863	224,504	8,641
State grants	364,456	358,839	(5,617)
Charges for services	42,051	42,051	-
Fines and forfeitures	5,558	5,558	-
Interest and rentals	42,642	42,671	29
Other	29,198	27,849	(1,349)
Total revenues	<u>859,680</u>	<u>862,535</u>	<u>2,855</u>
EXPENDITURES:			
Legislative	8,452	8,451	1
General government	261,724	260,392	1,332
Public safety	196,712	196,612	100
Public works	418,961	432,855	(13,894)
Community and economic development	35,689	41,036	(5,347)
Recreation and cultural	3,983	3,983	-
Capital outlay	-	-	-
Total expenditures	<u>925,521</u>	<u>943,329</u>	<u>(17,808)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(65,841)</u>	<u>(80,794)</u>	<u>(14,953)</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	384,562	386,759	2,197
Operating transfers out	-	-	-
Total other financing sources (uses)	<u>384,562</u>	<u>386,759</u>	<u>2,197</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>318,721</u>	<u>305,965</u>	<u>(12,756)</u>
FUND BALANCE - BEGINNING OF YEAR	<u>933,273</u>	<u>933,273</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,251,994</u>	<u>\$ 1,239,238</u>	<u>\$ (12,756)</u>

<i>Special revenue</i>			<i>Totals (memorandum only)</i>		
<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>	<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>
\$ 614,296	\$ 619,731	\$ 5,435	\$ 774,208	\$ 780,794	\$ 6,586
-	-	-	215,863	224,504	8,641
4,202	4,202	-	368,658	363,041	(5,617)
-	-	-	42,051	42,051	-
19,300	19,608	308	24,858	25,166	308
3,009	11,009	8,000	45,651	53,680	8,029
5,393	5,483	90	34,591	33,332	(1,259)
<u>646,200</u>	<u>660,033</u>	<u>13,833</u>	<u>1,505,880</u>	<u>1,522,568</u>	<u>16,688</u>
-	-	-	8,452	8,451	1
-	-	-	261,724	260,392	1,332
139,060	139,917	(857)	335,772	336,529	(757)
-	-	-	418,961	432,855	(13,894)
-	-	-	35,689	41,036	(5,347)
126,122	168,659	(42,537)	130,105	172,642	(42,537)
14,640	13,515	1,125	14,640	13,515	1,125
<u>279,822</u>	<u>322,091</u>	<u>(42,269)</u>	<u>1,205,343</u>	<u>1,265,420</u>	<u>(60,077)</u>
<u>366,378</u>	<u>337,942</u>	<u>(28,436)</u>	<u>300,537</u>	<u>257,148</u>	<u>(43,389)</u>
-	-	-	384,562	386,759	2,197
<u>(384,562)</u>	<u>(386,759)</u>	<u>(2,197)</u>	<u>(384,562)</u>	<u>(386,759)</u>	<u>(2,197)</u>
<u>(384,562)</u>	<u>(386,759)</u>	<u>(2,197)</u>	<u>-</u>	<u>-</u>	<u>-</u>
(18,184)	(48,817)	(30,633)	300,537	257,148	(43,389)
<u>971,986</u>	<u>971,986</u>	<u>-</u>	<u>1,905,259</u>	<u>1,905,259</u>	<u>-</u>
<u>\$ 953,802</u>	<u>\$ 923,169</u>	<u>\$ (30,633)</u>	<u>\$ 2,205,796</u>	<u>\$ 2,162,407</u>	<u>\$ (43,389)</u>

See notes to financial statements

**Charter Township of Jamestown**

**COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
RETAINED EARNINGS - *proprietary fund type***

*Year ended March 31, 2004*

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OPERATING REVENUES	\$ 285,985
OPERATING EXPENSES	<u>564,492</u>
OPERATING LOSS	<u>(278,507)</u>
NONOPERATING REVENUES (EXPENSES):	
Connection fees (net of payments to Georgetown Township)	578,632
Contributions from customers	151,620
Interest revenue:	
Special assessment	66,755
Investment	10,489
Interest expense	<u>(158,405)</u>
Total nonoperating revenues	<u>649,091</u>
NET INCOME	370,584
RETAINED EARNINGS - BEGINNING OF YEAR	<u>5,470,622</u>
RETAINED EARNINGS - END OF YEAR	<u>\$ 5,841,206</u>

*See notes to financial statements*

**Charter Township of Jamestown**  
**COMBINED STATEMENT OF CASH FLOWS - proprietary fund type**  
Year ended March 31, 2004

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Cash flows from operating activities:	
Receipts from customers and users	\$ 221,514
Payments to suppliers	(469,127)
Payments to employees	<u>(1,984)</u>
Net cash used in operating activities	<u>(249,597)</u>
Cash flows from capital and related financing activities:	
Connection fees	840,052
Connection fees remitted to Georgetown Township	(261,420)
Collection of special assessment principal	195,183
Collection of special assessment interest	66,755
Collection of amount due from other funds	213,410
Repayment of amount due to other funds	(180,504)
Principal payments on long-term debt	(185,000)
Interest payments on long-term debt	<u>(161,105)</u>
Net cash provided by capital and related financing activities	<u>527,371</u>
Cash flows from investing activities:	
Interest received	<u>10,144</u>
Net increase in cash	287,918
Cash - beginning of year	<u>1,263,876</u>
Cash - end of year	<u><u>\$ 1,551,794</u></u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (278,507)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	143,511
Increase in accounts receivable	(64,471)
Decrease in accounts payable	<u>(50,130)</u>
Net cash used in operating activities	<u><u>\$ (249,597)</u></u>

See notes to financial statements

**Charter Township of Jamestown**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The accounting policies of the Charter Township of Jamestown, Michigan (the Township), conform to U.S. generally accepted accounting principles (hereinafter referred to as generally accepted accounting principles) as applicable to governments. The following is a summary of the more significant policies:

*a) Reporting entity:*

In accordance with generally accepted accounting principles and Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, these financial statements present the Township (primary government) and its component unit. The criteria established by the GASB for determining the reporting entity include oversight responsibility, fiscal dependency, and whether the financial statements would be misleading if data were not included. The Township has determined that no other outside agency meets the above criteria and, therefore, no other agency has been included as a blended or discretely-presented component unit in the Township's financial statements.

*b) Basis of presentation:*

The accounts of the Township are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund and account group are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various separate funds and account groups are categorized and described as follows:

*i) Governmental funds:*

General Fund - this fund is the general operating fund of the Township. It is used to account for all financial resources except those required to be accounted for in another fund. Revenues are primarily derived from property taxes and state shared revenue.

Special revenue funds - these funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Debt service funds - these funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

**Charter Township of Jamestown**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

*b) Basis of presentation (continued):*

*ii) Proprietary funds:*

Enterprise funds - these funds are comprised of the sewer and water funds and are used to account for operations: (1) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

*iii) Fiduciary funds:*

Agency funds - these funds are used to account for assets held by the Township in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

*iv) Account groups:*

General fixed assets account group - this account group presents the fixed assets of the Township utilized in its general operations (nonproprietary fixed assets). This account group is not a fund. It is concerned only with the measurement of financial position and is not involved with measurement of results of operations.

General long-term debt account group - this account group presents the balance of general obligation long-term debt that is not recorded in proprietary funds.

*c) Basis of accounting:*

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt, which is recognized when due.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred. Unbilled sewer and water fund utility service receivables are recorded at year end. The Township has elected to follow (1) all GASB pronouncements and (2) Financial Accounting Standards Board statements and interpretations, Accounting Principles Board opinions, and Accounting Research Bulletins issued on or before November 30, 1989, except those that conflict with a GASB pronouncement, for its proprietary funds.

**Charter Township of Jamestown**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

*d) Budgets and budgetary accounting:*

The Township follows the procedure in establishing the budgetary data reflected in the financial statements in accordance with the Uniform Budgeting and Accounting Act (Act No. 621, Public Acts of 1978) as prescribed by the State of Michigan.

Budgets for the general and special revenue funds are adopted at the activity level and are on a basis consistent with generally accepted accounting principles.

*e) Receivables:*

All receivables are expected to be fully collectible as presented.

*f) Fixed assets:*

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in governmental funds. Public domain "infrastructure" general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized along with other general fixed assets. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

	<u>Sewer</u>	<u>Water</u>
Buildings	31.5 years	-
Sewer systems	50 years	-
Water systems	-	50 years

*g) Fund equity:*

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

*h) Property tax revenue recognition:*

Property taxes are levied as of December 1 on property values assessed as of December 31 of the prior year. The billings are due on or before February 14, after which time the bill becomes delinquent and the Township may assess penalties and interest. Property tax revenue is recognized in the year for which taxes have been levied and become available. The Township levy date is December 1, and, accordingly, the total levy is recognized as revenue in the current year.



**Charter Township of Jamestown**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

*i) Special assessment revenue recognition:*

Special assessment revenue is recorded as deferred when initially assessed in the governmental fund types. To the extent special assessments are realized, that is, collected, revenue is recognized. Special assessments are recognized as revenue when they become measurable and available. Any portion of special assessments that does not meet both criteria is reported as deferred revenue. Interest income on special assessments receivable is not accrued until its due date.

*j) Totals (memorandum only):*

Total columns on the combined statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation as interfund eliminations have not been made.

NOTE 2 - CASH:

The Township maintains separate bank accounts for each of its various funds. Deposits are carried at cost and are maintained at various financial institutions in the name of the Township. Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of federally-insured banks, credit unions, and savings and loan associations. The Township's deposits are in accordance with statutory authority. At March 31, 2004, the Township has deposits with a carrying amount of \$3,857,258 and a bank balance of \$3,910,934. Of the bank balance, \$600,000 is covered by federal depository insurance and \$3,310,934 is uninsured.

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES:

The amounts of interfund receivables and payables at March 31, 2004, are as follows:

<u>Fund</u>	<u>Interfund receivables</u>	<u>Fund</u>	<u>Interfund payables</u>
General	<u>\$51,937</u>	Library	\$24,405
		Sewer	<u>27,532</u>
			<u>51,937</u>
Fire Operating	<u>115</u>	General	<u>115</u>
Sewer	<u>38,885</u>	Water	<u>38,885</u>
	<u>\$90,937</u>		<u>\$90,937</u>

**Charter Township of Jamestown**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**NOTE 4 - FIXED ASSETS:**

A summary of changes in general fixed assets is as follows:

	<i>Balance April <u>1, 2003</u></i>	<i><u>Additions</u></i>	<i><u>Dispositions</u></i>	<i>Balance March <u>31, 2004</u></i>
Land	\$ 97,553	\$ -	\$ -	\$ 97,553
Land improvements	126,858	-	-	126,858
Buildings	1,840,963	-	-	1,840,963
Vehicles	653,918	-	-	653,918
Machinery and equipment	106,961	-	-	106,961
Office furniture and equipment	<u>184,189</u>	<u>-</u>	<u>-</u>	<u>184,189</u>
Investments in general fixed assets	<u>\$3,010,442</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$3,010,442</u>

A summary of proprietary fund type fixed assets at March 31, 2004, is as follows:

	<i><u>Enterprise</u></i>
Buildings	\$ 17,191
Sewer systems	5,919,846
Water systems	<u>1,228,409</u>
Total cost	7,165,446
Less accumulated depreciation	<u>885,753</u>
Net book value	<u>\$6,279,693</u>

**NOTE 5 - LONG-TERM DEBT:**

Long-term debt at March 31, 2004, is comprised of the following individual issues:

*General long-term debt account group:*

\$100,719 1995 Intercounty drainage district assessment - payable in annual installments ranging from \$10,868 to \$13,041, plus interest ranging at 4.65% to 5.00%; final payment due May 2006	\$ 36,950
\$880,000 1998 Library construction bonds - payable in annual installments ranging from \$50,000 to \$80,000, plus interest ranging from 4.10% to 6.00%; final payment due June 2013	<u>655,000</u>
Total general long-term debt account group	<u>691,950</u>

**Charter Township of Jamestown**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 5 - LONG-TERM DEBT (Continued):

*Enterprise funds:*

\$885,000 1996 Water system contract payable - payable in annual installments ranging from \$20,000 to \$75,000, plus interest at 5.50% to 7.00%; final payment due May 2016	\$ 785,000
\$1,830,000 1999 Sewer system contract payable - payable in annual installments ranging from \$140,000 to \$195,000, plus interest at 4.30% to 4.35%; final payment due June 2011	1,325,000
\$990,000 2000 Sewer system contract payable - payable in annual installments ranging from \$30,000 to \$100,000, plus interest at 5.20% to 5.80%; final payment due June 2021	<u>960,000</u>
Total enterprise funds	<u>3,070,000</u>
Total long-term debt	<u>\$3,761,950</u>

A summary of long-term debt transactions of the Township for the year ended March 31, 2004, is as follows:

	<u>General long-term debt account group</u>	<u>Proprietary funds</u>	<u>Total</u>
Balance - April 1, 2003	\$752,818	\$3,255,000	\$4,007,818
Retirements	<u>(60,868)</u>	<u>(185,000)</u>	<u>(245,868)</u>
Balance - March 31, 2004	<u>\$691,950</u>	<u>\$3,070,000</u>	<u>\$3,761,950</u>

The full faith, credit, and resources of the Township have been pledged for the prompt payment of all long-term debt requirements.

The annual requirements to amortize all debt outstanding at March 31, 2004, including interest of \$1,365,146, are as follows:

	<u>General long-term debt account group</u>	<u>Proprietary funds</u>	<u>Total</u>
2005	\$ 91,030	\$ 298,711	\$ 389,741
2006	95,437	338,146	433,583
2007	97,543	368,016	465,559
2008	81,556	366,494	448,050
2009	83,783	369,511	453,294
Thereafter	<u>410,320</u>	<u>2,526,549</u>	<u>2,936,869</u>
	<u>\$859,669</u>	<u>\$4,267,427</u>	<u>\$5,127,096</u>

**Charter Township of Jamestown**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**NOTE 6 - SEGMENT INFORMATION:**

The Township provides sewer and water services to customers that are accounted for in two enterprise funds. Segment information for the year ended March 31, 2004, is as follows:

	<u>Sewer</u>	<u>Water</u>	<u>Total</u>
Operating revenues	\$ 155,656	\$ 130,329	\$ 285,985
Depreciation expense	118,943	24,568	143,511
Operating loss	(109,928)	(168,579)	(278,507)
Capital contributions	101,080	50,540	151,620
Net income	169,472	201,112	370,584
Net working capital	1,043,407	593,628	1,637,035
Long-term debt	2,115,000	785,000	2,900,000
Total assets	7,154,149	1,907,203	9,061,352
Total equity	4,777,309	1,063,897	5,841,206

**NOTE 7 - CONSTRUCTION CODE ACT:**

A summary of construction code enforcement transactions for the year ended March 31, 2004, is as follows:

Revenues	\$ 196,617
Expenses	<u>(180,109)</u>
Excess of revenues over expenses	<u>\$ 16,508</u>

**NOTE 8 - DEFINED CONTRIBUTION PENSION PLAN:**

The Township provides pension benefits for its employees through a defined contribution plan. Employees are eligible to participate from the date of employment. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. The Township contributes 6% of each qualified employee's covered compensation to the plan. Plan participants are also required to contribute 6% of covered compensation. The Township's contributions are fully vested immediately. The Township is not a trustee of the plan, nor is the Township responsible for investment management of plan assets.

The Township and qualified employees made contributions of \$12,961 and \$12,961 respectively, for the fiscal year ended March 31, 2004, for a total of \$25,922.

**Charter Township of Jamestown**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**NOTE 9 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS:**

P.A. 621 of 1978, Section 18(1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been presented on a functional basis. The approved budgets of the Township for these budgetary funds were adopted at the activity level.

During the year ended March 31, 2004, the Township incurred expenditures in certain budgetary funds that were in excess of the amounts appropriated. The following schedule sets forth significant budget violations:

<u>Fund</u>	<u>Function</u>	<u>Activity</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General	Public works	Drains	\$ 8,274	\$ 22,168	\$13,894
	Community and economic development	Planning and zoning	35,689	41,036	5,347
Road	Other financing uses	Transfer to General Fund	249,562	251,759	2,197
Library	Recreation and cultural	Library	126,122	168,659	42,537

**NOTE 10 - CLAIMS ARISING FROM RISKS OF LOSS:**

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and medical claims; injuries to employees; and natural disasters. The risks of loss arising from general liability up to \$2,000,000, building contents, employees' health insurance, workers' compensation, and casualty are managed through purchased commercial insurance.

**NOTE 11 - CONSTRUCTION COMMITMENT:**

At March 31, 2004, the Township had authorized a contract in the amount of \$204,107 for the construction sewer system improvements. The Township had expended \$-0- on the project through March 31, 2004, leaving a commitment in the amount of \$204,107. Available resources within the Sewer Fund and a \$50,000 customer contribution will be used to finance this construction project.

**Charter Township of Jamestown**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**NOTE 12 - PRIOR PERIOD ADJUSTMENTS:**

Prior period adjustments have been recorded in 2004 that resulted in fund equity restatements. Fund equity as of April 1, 2003, included in the general purpose financial statements, represents restated balances as presented below. The following schedule identifies the nature and amount of the adjustments recorded:

	<u>Fund balance</u>
<i>Special revenue funds:</i>	
Beginning of year, as previously reported	\$ 988,986
Prior period adjustment - understatement of accrued payroll	<u>(17,000)</u>
Beginning of year, as restated	<u>\$ 971,986</u>
	<u>Retained earnings</u>
<i>Enterprise funds:</i>	
Beginning of year, as previously reported	\$5,500,862
Prior period adjustment - overstatement of special assessments receivable	<u>(30,240)</u>
Beginning of year, as restated	<u>\$5,470,622</u>

## **SUPPLEMENTARY INFORMATION**

**Charter Township of Jamestown****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND****BALANCE - BUDGET AND ACTUAL - General Fund**

Year ended March 31, 2004

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	<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>
REVENUES:			
Taxes	\$ 159,912	\$ 161,063	\$ 1,151
Licenses and permits	215,863	224,504	8,641
State grants - state shared revenue	364,456	358,839	(5,617)
Charges for services	42,051	42,051	-
Fines and forfeitures	5,558	5,558	-
Interest and rentals	42,642	42,671	29
Other:			
Special assessments	9,083	9,083	-
Miscellaneous	20,115	18,766	(1,349)
Total revenues	<u>859,680</u>	<u>862,535</u>	<u>2,855</u>
EXPENDITURES:			
Legislative - Township Board	<u>8,452</u>	<u>8,451</u>	<u>1</u>
General government:			
Supervisor	37,502	37,502	-
Elections	355	355	-
Assessor	35,834	35,835	(1)
Board of review	1,521	1,521	-
Clerk	21,584	21,584	-
Treasurer	29,973	29,975	(2)
Buildings and grounds	24,705	24,705	-
Cemetery	37,301	37,301	-
General administration	72,949	71,614	1,335
Total general government	<u>261,724</u>	<u>260,392</u>	<u>1,332</u>
Public safety:			
Police protection	42,379	42,255	124
Inspections	154,333	154,357	(24)
Total public safety	<u>196,712</u>	<u>196,612</u>	<u>100</u>



**Charter Township of Jamestown****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE - BUDGET AND ACTUAL - General Fund (Continued)**

Year ended March 31, 2004

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	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
EXPENDITURES (Continued):			
Public works:			
Road construction and maintenance	\$ 397,050	\$ 397,050	\$ -
Street lighting	13,637	13,637	-
Drains	<u>8,274</u>	<u>22,168</u>	<u>(13,894)</u>
Total public works	<u>418,961</u>	<u>432,855</u>	<u>(13,894)</u>
Community and economic development - planning and zoning	<u>35,689</u>	<u>41,036</u>	<u>(5,347)</u>
Recreation and cultural:			
Pathways	3,714	3,714	-
Library	<u>269</u>	<u>269</u>	<u>-</u>
Total recreation and cultural	<u>3,983</u>	<u>3,983</u>	<u>-</u>
Total expenditures	<u>925,521</u>	<u>943,329</u>	<u>(17,808)</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(65,841)</u>	<u>(80,794)</u>	<u>(14,953)</u>
OTHER FINANCING SOURCES:			
Operating transfers in:			
Road Fund	249,562	251,759	2,197
Capital Improvement Fund	<u>135,000</u>	<u>135,000</u>	<u>-</u>
Total other financing sources	<u>384,562</u>	<u>386,759</u>	<u>2,197</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	318,721	305,965	(12,756)
FUND BALANCE - BEGINNING OF YEAR	<u>933,273</u>	<u>933,273</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,251,994</u>	<u>\$ 1,239,238</u>	<u>\$ (12,756)</u>

**Charter Township of Jamestown****COMBINING BALANCE SHEET - special revenue funds**March 31, 2004

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	<u>Fire Operating</u>	<u>Fire Replacement</u>	<u>Library</u>
ASSETS			
Cash	\$ 198,843	\$ 130,931	\$ 115,000
Receivables:			
Taxes	4,014	3,010	1,839
Accounts	-	-	1,706
Due from other funds	<u>115</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 202,972</u>	<u>\$ 133,941</u>	<u>\$ 118,545</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES:			
Accounts payable	\$ -	\$ -	\$ 2,007
Accrued expenditures	17,000	-	-
Due to other funds	<u>-</u>	<u>-</u>	<u>24,405</u>
Total liabilities	<u>17,000</u>	<u>-</u>	<u>26,412</u>
FUND BALANCE:			
Unreserved:			
Designated for capital expenditures	-	133,941	-
Undesignated	<u>185,972</u>	<u>-</u>	<u>92,133</u>
Total fund balance	<u>185,972</u>	<u>133,941</u>	<u>92,133</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 202,972</u>	<u>\$ 133,941</u>	<u>\$ 118,545</u>

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<u>Road</u>	<u>Capital Improvement</u>	<u>Totals (memorandum only)</u>
\$ -	\$ 511,123	\$ 955,897
		8,863
-	-	1,706
-	-	115
<u>\$ -</u>	<u>\$ 511,123</u>	<u>\$ 966,581</u>
\$ -	\$ -	\$ 2,007
-	-	17,000
-	-	24,405
<u>-</u>	<u>-</u>	<u>43,412</u>
-	-	133,941
-	511,123	789,228
<u>-</u>	<u>511,123</u>	<u>923,169</u>
<u>\$ -</u>	<u>\$ 511,123</u>	<u>\$ 966,581</u>

**Charter Township of Jamestown****COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - special revenue funds***Year ended March 31, 2004*

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	<i><u>Fire Operating</u></i>	<i><u>Fire Replacement</u></i>	<i><u>Library</u></i>
REVENUES:			
Property taxes	\$ 166,633	\$ 124,962	\$ 76,377
State grants	-	-	4,202
Fines and forfeitures	-	-	19,608
Interest and rentals	711	131	4,044
Other	<u>1,743</u>	<u>2,165</u>	<u>1,575</u>
Total revenues	<u>169,087</u>	<u>127,258</u>	<u>105,806</u>
EXPENDITURES:			
Public safety	130,298	9,619	-
Recreation and cultural	-	-	168,659
Capital outlay	<u>-</u>	<u>13,515</u>	<u>-</u>
Total expenditures	<u>130,298</u>	<u>23,134</u>	<u>168,659</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	38,789	104,124	(62,853)
OTHER FINANCING USES - operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER USES	38,789	104,124	(62,853)
FUND BALANCE - BEGINNING OF YEAR	<u>147,183</u>	<u>29,817</u>	<u>154,986</u>
FUND BALANCE - END OF YEAR	<u>\$ 185,972</u>	<u>\$ 133,941</u>	<u>\$ 92,133</u>

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<u>Road</u>	<u>Capital Improvement</u>	<u>Totals (memorandum only)</u>
\$ 251,759	\$ -	\$ 619,731
-	-	4,202
-	-	19,608
-	6,123	11,009
-	-	5,483
<u>251,759</u>	<u>6,123</u>	<u>660,033</u>
-	-	139,917
-	-	168,659
-	-	13,515
<u>-</u>	<u>-</u>	<u>322,091</u>
251,759	6,123	337,942
<u>(251,759)</u>	<u>(135,000)</u>	<u>(386,759)</u>
-	(128,877)	(48,817)
-	640,000	971,986
<u>\$ -</u>	<u>\$ 511,123</u>	<u>\$ 923,169</u>

**Charter Township of Jamestown**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**

**BALANCE - BUDGET AND ACTUAL - Fire Operating Fund**

*Year ended March 31, 2004*

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	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
REVENUES:			
Property taxes	\$ 165,124	\$ 166,633	\$ 1,509
Interest	711	711	-
Other	<u>1,703</u>	<u>1,743</u>	<u>40</u>
Total revenues	167,538	169,087	1,549
EXPENDITURES:			
Public safety - fire department	<u>129,796</u>	<u>130,298</u>	<u>(502)</u>
EXCESS OF REVENUES OVER EXPENDITURES	37,742	38,789	1,047
FUND BALANCE - BEGINNING OF YEAR	<u>147,183</u>	<u>147,183</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 184,925</u>	<u>\$ 185,972</u>	<u>\$ 1,047</u>

**Charter Township of Jamestown**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**

**BALANCE - BUDGET AND ACTUAL - *Fire Replacement Fund***

*Year ended March 31, 2004*

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	<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>
REVENUES:			
Property taxes	\$ 123,851	\$ 124,962	\$ 1,111
Interest	131	131	-
Other	<u>2,165</u>	<u>2,165</u>	<u>-</u>
Total revenues	<u>126,147</u>	<u>127,258</u>	<u>1,111</u>
EXPENDITURES:			
Public safety - fire department	9,264	9,619	(355)
Capital outlay	<u>14,640</u>	<u>13,515</u>	<u>1,125</u>
Total expenditures	<u>23,904</u>	<u>23,134</u>	<u>770</u>
EXCESS OF REVENUES OVER EXPENDITURES	102,243	104,124	1,881
FUND BALANCE - BEGINNING OF YEAR	<u>29,817</u>	<u>29,817</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 132,060</u>	<u>\$ 133,941</u>	<u>\$ 1,881</u>

**Charter Township of Jamestown****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL - Library Fund***Year ended March 31, 2004*

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	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
REVENUES:			
Property taxes	\$ 75,759	\$ 76,377	\$ 618
State grants	4,202	4,202	-
Fines and forfeitures	19,300	19,608	308
Interest and rentals	2,167	4,044	1,877
Other	<u>1,525</u>	<u>1,575</u>	<u>50</u>
Total revenues	102,953	105,806	2,853
EXPENDITURES:			
Recreation and cultural	<u>126,122</u>	<u>168,659</u>	<u>(42,537)</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(23,169)	(62,853)	(39,684)
FUND BALANCE - BEGINNING OF YEAR	<u>154,986</u>	<u>154,986</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 131,817</u>	<u>\$ 92,133</u>	<u>\$ (39,684)</u>



**Charter Township of Jamestown**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL - Road Fund**

*Year ended March 31, 2004*

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	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
REVENUES:			
Property taxes	\$ 249,562	\$ 251,759	\$ 2,197
OTHER FINANCING USES:			
Operating transfer out - General Fund	<u>(249,562)</u>	<u>(251,759)</u>	<u>(2,197)</u>
EXCESS OF REVENUES OVER OTHER USES	-	-	-
FUND BALANCE - BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Charter Township of Jamestown**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL - *Capital Improvement Fund***

*Year ended March 31, 2004*

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	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
REVENUES:			
Interest	\$ -	\$ 6,123	\$ 6,123
OTHER FINANCING USES:			
Operating transfer out - General Fund	<u>(135,000)</u>	<u>(135,000)</u>	<u>-</u>
DEFICIENCY OF REVENUES OVER OTHER USES	(135,000)	(128,877)	6,123
FUND BALANCE - BEGINNING OF YEAR	<u>640,000</u>	<u>640,000</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 505,000</u>	<u>\$ 511,123</u>	<u>\$ 6,123</u>

**Charter Township of Jamestown**  
**COMBINING BALANCE SHEET - debt service funds**

March 31, 2004

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	<u>Bliss Creek</u>	<u>Library construction</u>	<u>Totals (memorandum only)</u>
ASSETS			
Cash	\$ 7,195	\$ 193,992	\$ 201,187
Receivables:			
Taxes	-	3,068	3,068
Special assessments	<u>3,094</u>	<u>-</u>	<u>3,094</u>
TOTAL ASSETS	<u>\$ 10,289</u>	<u>\$ 197,060</u>	<u>\$ 207,349</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES:			
Deferred revenue	\$ 3,094	\$ -	\$ 3,094
FUND BALANCE:			
Reserved for debt service	<u>7,195</u>	<u>197,060</u>	<u>204,255</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 10,289</u>	<u>\$ 197,060</u>	<u>\$ 207,349</u>

**Charter Township of Jamestown****COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - debt service funds***Year ended March 31, 2004*

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	<i>Bliss Creek</i>	<i>Library construction</i>	<i>Totals (memorandum only)</i>
REVENUES:			
Property taxes	\$ -	\$ 127,409	\$ 127,409
Interest	47	255	302
Other - special assessments	<u>1,949</u>	<u>-</u>	<u>1,949</u>
Total revenues	<u>1,996</u>	<u>127,664</u>	<u>129,660</u>
EXPENDITURES:			
General government	250	450	700
Debt service:			
Principal	10,868	50,000	60,868
Interest and fiscal charges	<u>2,083</u>	<u>31,625</u>	<u>33,708</u>
Total expenditures	<u>13,201</u>	<u>82,075</u>	<u>95,276</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(11,205)	45,589	34,384
FUND BALANCE - BEGINNING OF YEAR	<u>18,400</u>	<u>151,471</u>	<u>169,871</u>
FUND BALANCE - END OF YEAR	<u>\$ 7,195</u>	<u>\$ 197,060</u>	<u>\$ 204,255</u>

**Charter Township of Jamestown**  
**COMBINING BALANCE SHEET - enterprise funds**  
March 31, 2004

	<u>Sewer</u>	<u>Water</u>	<u>Totals</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash	\$ 955,860	\$ 595,934	\$ 1,551,794
Accounts receivable	72,952	-	72,952
Due from other funds	38,885	-	38,885
Due from other governmental units	96,550	-	96,550
Special assessments receivable - current portion	<u>141,000</u>	<u>56,000</u>	<u>197,000</u>
Total current assets	<u>1,305,247</u>	<u>651,934</u>	<u>1,957,181</u>
<b>OTHER ASSETS:</b>			
Special assessments receivable (net of current portion)	<u>512,294</u>	<u>312,184</u>	<u>824,478</u>
<b>FIXED ASSETS:</b>			
Buildings	17,191	-	17,191
Sewer systems	5,919,846	-	5,919,846
Water systems	<u>-</u>	<u>1,228,409</u>	<u>1,228,409</u>
	5,937,037	1,228,409	7,165,446
Less accumulated depreciation	<u>600,429</u>	<u>285,324</u>	<u>885,753</u>
Net fixed assets	<u>5,336,608</u>	<u>943,085</u>	<u>6,279,693</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 7,154,149</u></u>	<u><u>\$ 1,907,203</u></u>	<u><u>\$ 9,061,352</u></u>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>CURRENT LIABILITIES:</b>			
Current maturities of long-term debt	\$ 170,000	\$ -	\$ 170,000
Accounts payable	18,208	19,421	37,629
Accrued interest payable	46,100	-	46,100
Due to other funds	<u>27,532</u>	<u>38,885</u>	<u>66,417</u>
Total current liabilities	261,840	58,306	320,146
<b>LONG-TERM DEBT, less current maturities</b>	<u>2,115,000</u>	<u>785,000</u>	<u>2,900,000</u>
Total liabilities	2,376,840	843,306	3,220,146
<b>FUND EQUITY:</b>			
Retained earnings - unreserved, undesignated	<u>4,777,309</u>	<u>1,063,897</u>	<u>5,841,206</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u><u>\$ 7,154,149</u></u>	<u><u>\$ 1,907,203</u></u>	<u><u>\$ 9,061,352</u></u>

**Charter Township of Jamestown****COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES****IN RETAINED EARNINGS - enterprise funds***Year ended March 31, 2004*

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	<u>Sewer</u>	<u>Water</u>	<u>Totals</u>
OPERATING REVENUES:			
Charges for services	\$ 150,883	\$ 100,589	\$ 251,472
Other	<u>4,773</u>	<u>29,740</u>	<u>34,513</u>
Total operating revenues	<u>155,656</u>	<u>130,329</u>	<u>285,985</u>
OPERATING EXPENSES:			
Operation and maintenance	146,641	274,340	420,981
Depreciation	<u>118,943</u>	<u>24,568</u>	<u>143,511</u>
Total operating expenses	<u>265,584</u>	<u>298,908</u>	<u>564,492</u>
OPERATING LOSS	<u>(109,928)</u>	<u>(168,579)</u>	<u>(278,507)</u>
NONOPERATING REVENUES (EXPENSES):			
Connection fees (net of payments to Georgetown)	244,075	334,557	578,632
Contributions from customers	101,080	50,540	151,620
Interest revenue:			
Special assessment	40,194	26,561	66,755
Investment	5,386	5,103	10,489
Interest expenses	<u>(111,335)</u>	<u>(47,070)</u>	<u>(158,405)</u>
Total nonoperating revenues	<u>279,400</u>	<u>369,691</u>	<u>649,091</u>
NET INCOME	169,472	201,112	370,584
RETAINED EARNINGS - BEGINNING OF YEAR	<u>4,607,837</u>	<u>862,785</u>	<u>5,470,622</u>
RETAINED EARNINGS - END OF YEAR	<u>\$ 4,777,309</u>	<u>\$ 1,063,897</u>	<u>\$ 5,841,206</u>

**Charter Township of Jamestown****COMBINING STATEMENT OF CASH FLOWS - enterprise funds**

Year ended March 31, 2004

	<u>Sewer</u>	<u>Water</u>	<u>Totals</u>
Cash flows from operating activities:			
Receipts from customers and users	\$ 91,185	\$ 130,329	\$ 221,514
Payments to suppliers	(195,659)	(273,468)	(469,127)
Payments to employees	(1,984)	-	(1,984)
Net cash used in operating activities	<u>(106,458)</u>	<u>(143,139)</u>	<u>(249,597)</u>
Cash flows from capital and related financing activities:			
Connection fees	505,495	334,557	840,052
Connection fees remitted to Georgetown Township	(261,420)	-	(261,420)
Collection of special assessment principal	140,584	54,599	195,183
Collection of special assessment interest	40,194	26,561	66,755
Collection of amount due from other funds	213,410	-	213,410
Repayment of amount due to other funds	(14,104)	(166,400)	(180,504)
Principal payments on long-term debt	(165,000)	(20,000)	(185,000)
Interest payments on long-term debt	(114,035)	(47,070)	(161,105)
Net cash provided by capital and related financing activities	<u>345,124</u>	<u>182,247</u>	<u>527,371</u>
Cash flows from investing activities:			
Interest received	<u>5,041</u>	<u>5,103</u>	<u>10,144</u>
Net increase in cash	243,707	44,211	287,918
Cash - beginning of year	<u>712,153</u>	<u>551,723</u>	<u>1,263,876</u>
Cash - end of year	<u>\$ 955,860</u>	<u>\$ 595,934</u>	<u>\$ 1,551,794</u>
Reconciliation of operating loss to net cash used in operating activities:			
Operating loss	\$ (109,928)	\$ (168,579)	\$ (278,507)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation	118,943	24,568	143,511
Increase in accounts receivable	(64,471)	-	(64,471)
Increase (decrease) in accounts payable	(51,002)	872	(50,130)
Net cash used in operating activities	<u>\$ (106,458)</u>	<u>\$ (143,139)</u>	<u>\$ (249,597)</u>

**Charter Township of Jamestown**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**all agency funds**  
Year ended March 31, 2004

	<i>Balance April 1, 2003</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance March 31, 2004</i>
<b>ESCROW DEPOSIT FUND</b>				
<b>ASSETS</b>				
Cash	<u>\$ 1,186</u>	<u>\$ 9,342</u>	<u>\$ 336</u>	<u>\$ 10,192</u>
<b>LIABILITIES</b>				
Due to other funds	\$ 186	\$ -	\$ 186	\$ -
Escrow deposits	<u>1,000</u>	<u>9,342</u>	<u>150</u>	<u>10,192</u>
<b>TOTAL LIABILITIES</b>	<u>\$ 1,186</u>	<u>\$ 9,342</u>	<u>\$ 336</u>	<u>\$ 10,192</u>
<b>TAX COLLECTION FUND</b>				
<b>ASSETS</b>				
Cash	\$ -	\$ 5,386,113	\$ 5,386,113	\$ -
Due from other governmental units	<u>-</u>	<u>274,139</u>	<u>-</u>	<u>274,139</u>
<b>TOTAL ASSETS</b>	<u>\$ -</u>	<u>\$ 5,660,252</u>	<u>\$ 5,386,113</u>	<u>\$ 274,139</u>
<b>LIABILITIES</b>				
Due to other funds	\$ -	\$ 1,139,299	\$ 1,139,299	\$ -
Due to other governmental units	<u>-</u>	<u>4,520,953</u>	<u>4,246,814</u>	<u>274,139</u>
<b>TOTAL LIABILITIES</b>	<u>\$ -</u>	<u>\$ 5,660,252</u>	<u>\$ 5,386,113</u>	<u>\$ 274,139</u>
<b>TOTALS - ALL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash	\$ 1,186	\$ 5,395,455	\$ 5,386,449	\$ 10,192
Due from other governmental units	<u>-</u>	<u>274,139</u>	<u>-</u>	<u>274,139</u>
<b>TOTAL ASSETS</b>	<u>\$ 1,186</u>	<u>\$ 5,669,594</u>	<u>\$ 5,386,449</u>	<u>\$ 284,331</u>
<b>LIABILITIES</b>				
Due to other funds	\$ 186	\$ 1,139,299	\$ 1,139,485	\$ -
Due to other governmental units	-	4,520,953	4,246,814	274,139
Developer escrow deposits	<u>1,000</u>	<u>9,342</u>	<u>150</u>	<u>10,192</u>
<b>TOTAL LIABILITIES</b>	<u>\$ 1,186</u>	<u>\$ 5,669,594</u>	<u>\$ 5,386,449</u>	<u>\$ 284,331</u>



## **SUPPLEMENTARY DATA**

**Charter Township of Jamestown****SCHEDULE OF DEBT RETIREMENT AND ANNUAL INTEREST REQUIREMENTS -  
\$885,000 1996 WATER SYSTEM CONTRACT PAYABLE***March 31, 2004*

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<i><u>Fiscal period</u></i>	<i><u>Interest requirements</u></i>		<i><u>Maturity date</u></i>	<i><u>Principal</u></i>	<i><u>Total requirements</u></i>
	<i><u>May 1</u></i>	<i><u>November 1</u></i>			
2005	\$ -	\$ 22,723	5/01/04	\$ -	\$ 22,723
2006	22,723	22,123	5/01/05	20,000	64,846
2007	22,123	20,473	5/01/06	55,000	97,596
2008	20,473	18,673	5/01/07	60,000	99,146
2009	18,673	16,885	5/01/08	65,000	100,558
2010	16,885	15,065	5/01/09	65,000	96,950
2011	15,065	13,088	5/01/10	70,000	98,153
2012	13,088	10,950	5/01/11	75,000	99,038
2013	10,950	8,794	5/01/12	75,000	94,744
2014	8,794	6,619	5/01/13	75,000	90,413
2015	6,619	4,425	5/01/14	75,000	86,044
2016	4,425	2,213	5/01/15	75,000	81,638
2017	2,213	-	5/01/16	75,000	77,213
	<u>\$ 162,031</u>	<u>\$ 162,031</u>		<u>\$ 785,000</u>	<u>\$ 1,109,062</u>

**Charter Township of Jamestown****SCHEDULE OF DEBT RETIREMENT AND ANNUAL INTEREST REQUIREMENTS -  
\$1,830,000 1999 SEWER SYSTEM CONTRACT PAYABLE***March 31, 2004*

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<i>Fiscal period</i>	<i>Interest requirements</i>		<i>Maturity date</i>	<i>Principal</i>	<i>Total requirements</i>
	<i>June 1</i>	<i>December 1</i>			
2005	\$ 28,583	\$ 25,573	6/01/04	\$ 140,000	\$ 194,156
2006	25,573	22,455	6/01/05	145,000	193,028
2007	22,455	19,123	6/01/06	155,000	196,578
2008	19,123	15,683	6/01/07	160,000	194,806
2009	15,683	12,028	6/01/08	170,000	197,711
2010	12,028	8,265	6/01/09	175,000	195,293
2011	8,265	4,241	6/01/10	185,000	197,506
2012	4,241	-	6/01/11	195,000	199,241
	<u>\$ 135,951</u>	<u>\$ 107,368</u>		<u>\$ 1,325,000</u>	<u>\$ 1,568,319</u>

**Charter Township of Jamestown****SCHEDULE OF DEBT RETIREMENT AND ANNUAL INTEREST REQUIREMENTS -  
\$990,000 2000 SEWER SYSTEM CONTRACT PAYABLE***March 31, 2004*

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<i>Fiscal period</i>	<i>Interest requirements</i>		<i>Maturity date</i>	<i>Principal</i>	<i>Total requirements</i>
	<i>June 1</i>	<i>December 1</i>			
2005	\$ 26,306	\$ 25,526	6/01/04	\$ 30,000	\$ 81,832
2006	25,526	24,746	6/01/05	30,000	80,272
2007	24,746	24,096	6/01/06	25,000	73,842
2008	24,096	23,446	6/01/07	25,000	72,542
2009	23,446	22,796	6/01/08	25,000	71,242
2010	22,796	22,276	6/01/09	20,000	65,072
2011	22,276	21,756	6/01/10	20,000	64,032
2012	21,756	21,236	6/01/11	20,000	62,992
2013	21,236	20,716	6/01/12	20,000	61,952
2014	20,716	19,286	6/01/13	55,000	95,002
2015	19,286	17,696	6/01/14	60,000	96,982
2016	17,696	15,806	6/01/15	70,000	103,502
2017	15,806	13,763	6/01/16	75,000	104,569
2018	13,763	11,425	6/01/17	85,000	110,188
2019	11,425	8,625	6/01/18	100,000	120,050
2020	8,625	5,775	6/01/19	100,000	114,400
2021	5,775	2,900	6/01/20	100,000	108,675
2022	2,900	-	6/01/21	100,000	102,900
	<u>\$ 328,176</u>	<u>\$ 301,870</u>		<u>\$ 960,000</u>	<u>\$ 1,590,046</u>

**Charter Township of Jamestown**

**SCHEDULE OF LOAN RETIREMENT AND ANNUAL INTEREST REQUIREMENTS -  
\$100,719 1995 INTERCOUNTY DRAINAGE DISTRICT ASSESSMENT**

March 31, 2004

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<i>Fiscal period</i>	<i>Interest requirements</i>		<i>Maturity date</i>	<i>Principal</i>	<i>Total requirements</i>
	<i>May 1</i>	<i>November 1</i>			
2005	\$ 912	\$ 649	5/01/04	\$ 10,868	\$ 12,429
2006	649	326	5/01/05	13,041	14,016
2007	<u>326</u>	<u>-</u>	5/01/06	<u>13,041</u>	<u>13,367</u>
	<u>\$ 1,887</u>	<u>\$ 975</u>		<u>\$ 36,950</u>	<u>\$ 39,812</u>

**Charter Township of Jamestown****SCHEDULE OF BOND RETIREMENT AND ANNUAL INTEREST REQUIREMENTS -  
\$880,000 1998 LIBRARY CONSTRUCTION BONDS***March 31, 2004*

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<i>Fiscal period</i>	<i>Interest requirements</i>		<i>Maturity date</i>	<i>Principal</i>	<i>Total requirements</i>
	<i>June 1</i>	<i>December 1</i>			
2005	\$ 14,913	\$ 13,688	6/01/04	\$ 50,000	\$ 78,601
2006	13,688	12,733	6/01/05	55,000	81,421
2007	12,733	11,443	6/01/06	60,000	84,176
2008	11,443	10,123	6/01/07	60,000	81,566
2009	10,123	8,660	6/01/08	65,000	83,783
2010	8,660	7,165	6/01/09	65,000	80,825
2011	7,165	5,520	6/01/10	70,000	82,685
2012	5,520	3,720	6/01/11	75,000	84,240
2013	3,720	1,920	6/01/12	75,000	80,640
2014	1,920	-	6/01/13	80,000	81,920
	<u>\$ 89,885</u>	<u>\$ 74,972</u>		<u>\$ 655,000</u>	<u>\$ 819,857</u>

## OTHER INFORMATION

**SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 CONTINUING DISCLOSURE  
(UNAUDITED)**



**Charter Township of Jamestown  
Taxable Value  
Fiscal Years Ended March 31, 2000 Through 2004**

<u>Assessed Value as of December 31</u>	<u>Year of State Equalization and Tax Levy</u>	<u>Township's Fiscal Years Ended March 31</u>	<u>Ad Valorem Taxable Value</u>	<u>Equivalent Taxable Value of Property Granted Tax Abatement Under Acts 198 and 255(1)</u>	<u>Total Taxable Value</u>	<u>Percent Increase Over Prior Year</u>
1998	1999	2000	\$110,771,953	\$ -0-	\$110,771,953	0.00%
1999	2000	2001	125,370,335	7,291,183	132,661,518	19.76
2000	2001	2002	136,493,462	7,279,954	143,773,416	8.38
2001	2002	2003	150,933,437	11,555,227	162,488,664	13.02
2002	2003	2004	163,322,926	11,776,400	175,099,326	7.76

Per Capita Taxable Value for the Fiscal Year Ended March 31, 2004 (2) .....\$34,591

(1) At the full tax rate.

(2) Based on the Township's 2000 census population of 5,062.

Source: Charter Township of Jamestown

**Charter Township of Jamestown  
Taxable Value by Use and Class  
Fiscal Years Ended March 31, 2000 Through 2004**

	<u>Fiscal Years Ended March 31</u>				
<u>Use</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Agricultural.....	\$ 17,684,513	\$ 17,635,859	\$ 18,461,704	\$ 19,288,050	\$ 19,673,485
Commercial.....	4,813,971	5,587,861	6,743,666	8,325,129	9,020,939
Industrial .....	-0-	13,063,683	13,586,273	18,064,539	18,680,660
Residential .....	82,973,268	90,878,415	98,980,573	109,074,146	119,896,142
Utility .....	<u>5,300,201</u>	<u>5,495,700</u>	<u>6,001,200</u>	<u>7,736,800</u>	<u>7,828,100</u>
	<u>\$ 110,771,953</u>	<u>\$ 132,661,518</u>	<u>\$ 143,773,416</u>	<u>\$ 162,488,664</u>	<u>\$ 175,099,326</u>
<u>Class</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Real Property.....	\$ 103,769,195	\$ 124,757,990	\$ 135,220,036	\$ 148,209,958	\$ 160,643,826
Personal Property.....	<u>7,002,758</u>	<u>7,903,528</u>	<u>8,553,380</u>	<u>14,278,706</u>	<u>14,455,500</u>
	<u>\$ 110,771,953</u>	<u>\$ 132,661,518</u>	<u>\$ 143,773,416</u>	<u>\$ 162,488,664</u>	<u>\$ 175,099,326</u>

Source: Charter Township of Jamestown

**Charter Township of Jamestown  
State Equalized Valuation  
Fiscal Years Ended March 31, 2003 and 2004**

<u>Assessed Value as of December 31</u>	<u>Year of State Equalization and Tax Levy</u>	<u>Township's Fiscal Year Ended March 31</u>	<u>Ad Valorem SEV</u>	<u>SEV of Property Granted Tax Abatement Under Acts 198 and 255</u>	<u>Total SEV</u>
2001	2002	2003	\$197,062,000	\$11,584,300	\$208,646,300
2002	2003	2004	211,951,500	11,776,400	223,727,900

Per Capita SEV for the Fiscal Year Ended March, 2004 (1) .....\$44,198

(1) Based on the Township's 2000 census population of 5,062.

Source: Charter Township of Jamestown

(UNAUDITED)

**Charter Township of Jamestown  
SEV by Use and Class  
Fiscal Years Ended March 31, 2003 and 2004**

	<u>Fiscal Year Ended</u> <u>March 31, 2003</u>		<u>Fiscal Year Ended</u> <u>March 31, 2004</u>	
<u>Use</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural.....	\$ 34,466,100	17.49%	\$ 36,664,000	17.30%
Commercial.....	9,521,000	4.83	10,206,800	4.82
Industrial .....	7,613,600	3.86	8,644,800	4.08
Residential .....	137,724,500	69.89	148,607,800	70.11
Utility .....	<u>7,736,800</u>	<u>3.93</u>	<u>7,828,100</u>	<u>3.69</u>
Total	<u>\$197,062,000</u>	<u>100.00%</u>	<u>\$211,951,500</u>	<u>100.00%</u>
<u>Class</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Real Property.....	\$185,770,200	94.27%	\$200,739,300	94.71%
Personal Property .....	<u>11,291,800</u>	<u>5.73</u>	<u>11,212,200</u>	<u>5.29</u>
	<u>\$197,062,000</u>	<u>100.00%</u>	<u>\$211,951,500</u>	<u>100.00%</u>

Source: Charter Township of Jamestown

### **Tax Abatement**

The Township's Taxable Value does not include the value of certain facilities, which have temporarily been removed from the Ad Valorem Tax Roll pursuant to Act 198 and Act 255 (collectively, the "Acts"). The Acts were designed to provide a stimulus in the form of significant tax incentives to industry and commercial enterprises to renovate and expand aging facilities ("Rehab Properties") and to build new facilities ("New Properties"). Except as indicated below, under the provisions of the Acts, a local governmental unit (i.e., a city, village, or township) may establish plant rehabilitation districts, industrial development districts, and commercial redevelopment districts and offer industrial and commercial firms certain property tax incentives or abatements to encourage restoration or replacement of obsolete facilities and to attract new facilities to the area.

An industrial or commercial facilities exemption certificate granted under either of the Acts entitles an eligible facility to exemption from Ad Valorem Taxes for a period of up to 12 years. In lieu of Ad Valorem Taxes, the eligible facility will pay an industrial facilities or commercial facilities tax (the "IFT Tax" and "CFT Tax", respectively). For properties granted tax abatement under Act 198 or Act 255 there exists separate tax rolls referred to as the industrial facilities tax roll (the "IFT Tax Roll") and the commercial facilities tax roll (the "CFT Tax Roll"), respectively. The IFT or CFT Tax for an obsolete facility which is being restored or replaced is determined in exactly the same manner as the Ad Valorem Tax; the important difference being that the value of the property remains at the Taxable Value level prior to the improvements even though the restoration or replacement substantially increases the value of the facility. For a new facility the IFT or CFT Tax is also determined the same as the Ad Valorem Tax but instead of using the total mills levied as Ad Valorem Taxes, a lower millage rate is applied. For abatements granted prior to 1994, this millage rate equals 1/2 of all tax rates levied by other than the State and local school district for operating purposes plus 1/2 of the 1993 rate levied by the local school district for operating purposes. For abatements granted after 1994, this millage rate equals 1/2 of all tax rates levied by other than the State and local school district plus none, 1/2, or all of the State tax rate (as determined by the State Treasurer). Act 255 expired as an effective statute of the State on December 31, 1986. Tax abatements granted to commercial facilities under Act 255 prior to December 31, 1986, have expired.

The Township has established goals, objectives, and procedures to provide the opportunity for industrial and commercial development and expansion. Since 1974, the Township has approved a number of applications for local property tax relief for industrial and commercial firms. The taxable value of properties that have been granted tax abatement under the Acts, removed from the Ad Valorem Tax Roll and placed on the IFT Tax Roll totaled \$11,776,400 for the fiscal year ended March 31, 2004. The IFT Taxes paid on these properties is equivalent to Ad Valorem Taxes paid on \$5,888,200 of Taxable Value at the full tax rate (the "Equivalent Taxable Value"). Upon expiration of the industrial facilities exemption certificates, the current equalized valuation of the abated properties will return to the Ad Valorem Tax Roll as Taxable Value.

(UNAUDITED)

**Charter Township of Jamestown  
Maximum Property Tax Rates  
Fiscal Year Ended March 31, 2004**

<u>Millage Classification</u>	<u>Millage Authorized</u>	<u>Applicable Millage Reduction Fraction (1)</u>	<u>Maximum Allowable Millage</u>
Operating.....	0.9221	0.9914	0.9221
Fire District .....	1.7165	0.9914	1.7165
Roads .....	1.4820	0.9914	1.4820
Library Operating.....	0.4496	0.9914	0.4496
Library Debt.....	0.7500	N/A	0.7500

(1) Cumulative.

Source: Charter Township of Jamestown

**Charter Township of Jamestown  
Property Tax Rates  
Fiscal Years Ended March 31, 2000 Through 2004**

<u>Levy Dec 1</u>	<u>Fiscal Year Ended March 31</u>	<u>General</u>	<u>Debt Service (1)</u>	<u>Total</u>
1999	2000	4.4442	0.7500	5.1942
2000	2001	4.1800	0.7500	4.9300
2001	2002	4.5510	0.7500	5.3010
2002	2003	4.5117	0.7500	5.2617
2003	2004	4.5702	0.7500	5.3202

(1) Voted.

Source: Charter Township of Jamestown

(UNAUDITED)

**Charter Township of Jamestown  
Homestead Property Tax Rates by Governmental Unit  
Fiscal Years Ended March 31, 2000 Through 2004**

	Fiscal Years Ended March 31				
<u>Governmental Unit</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Jamestown Township .....	5.1942	4.9300	5.3010	5.2617	5.3202
Ottawa Intermediate	4.3353	4.2999	4.2854	4.2688	4.2305
Schools	1.8201	1.8109	1.8049	1.8000	1.7865
Grand Rapids Comm College	6.0000	6.0000	6.0000	6.0000	5.0000
State Education .....	7.9928	7.9784	7.9707	7.9658	8.0000
Hudsonville Schools .....	7.1637	6.7383	6.2317	6.2317	6.1130
Grandville Schools .....	<u>4.3812</u>	<u>4.3760</u>	<u>4.2722</u>	<u>4.1672</u>	<u>4.1611</u>
Ottawa County .....					
	<u>36.8873</u>	<u>36.1335</u>	<u>35.8659</u>	<u>35.6952</u>	<u>34.6113</u>
Total .....					

**Charter Township of Jamestown  
Non-Homestead Property Tax Rates by Governmental Unit  
Fiscal Years Ended March 31, 2000 Through 2004**

	Fiscal Years Ended March 31				
<u>Governmental Unit</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Jamestown Township .....	5.1942	4.9300	5.3010	5.2617	5.3202
Ottawa Intermediate	4.3353	4.2999	4.2854	4.2688	4.2305
Schools	1.8201	1.8109	1.8049	1.8000	1.7865
Grand Rapids Comm	6.0000	6.0000	6.0000	6.0000	5.0000
College	25.9928	25.9784	25.9707	25.9658	26.0000
State Education .....	25.1637	24.7383	24.2317	24.2317	23.9600
Hudsonville Schools .....	<u>4.3812</u>	<u>4.3760</u>	<u>4.2722</u>	<u>4.1672</u>	<u>4.1611</u>
Grandville Schools .....					
Ottawa County .....	<u>72.8873</u>	<u>72.1335</u>	<u>71.8659</u>	<u>71.6952</u>	<u>70.4583</u>
Total .....					

**Charter Township of Jamestown  
Property Tax Collections  
Fiscal Years Ended March 31, 2000 Through 2004**

<u>December 1 Levy</u>	<u>Fiscal Years Ended March 31</u>	<u>Tax Levy (1)</u>	<u>Collections to March 1 Following Levy</u>	<u>Percent Collected</u>
1999	2000	\$575,408	\$551,252	95.80%
2000	2001	618,438	597,024	96.54
2001	2002	744,396	720,298	96.76
2002	2003	825,426	806,521	97.71
2003	2004	872,459	847,656	97.16

(1) Township taxes only. Excludes special assessments. Includes property tax collections of property granted tax abatement under Act 198.

Source: Charter Township of Jamestown

(UNAUDITED)

**Profile of the Ten Largest Taxpayers  
Charter Township of Jamestown  
Ten Largest Taxpayers  
Fiscal Year Ended March 31, 2004**

<u>Taxpayer</u>	<u>Principal Product or Service</u>	<u>Taxable Value</u>	<u>Percent of Total (1)</u>
Royal Plastic/Royal Land	Plastics manufacturing	\$15,343,272	8.76%
Prime Real Estate Investments	Real estate development	5,568,805	3.18
Patmos Farms/Sunrise Acres	Agricultural	3,546,525	2.03
Consumers Energy	Utility	3,176,900	1.81
Terra Ceia Mobile Home Park	Mobile home park	2,377,819	1.36
ANR	Utility	2,018,405	1.15
Bosgraaf Real Estate	Real estate development	1,542,631	0.88
SEMCO Energy Gas Company	Utility	1,510,000	0.86
Michigan Consolidated Gas	Utility	1,162,100	0.66
REDCO, LLC	Real estate development	<u>681,217</u>	<u>0.39</u>
		<u>\$36,927,674</u>	<u>21.08</u>

(1) Based on \$175,099,326 which is the Township's Total Taxable Value for its fiscal year ended March 31, 2004.  
Includes the Equivalent Taxable Value of Property granted under Act 198.  
Source: Charter Township of Jamestown

**Charter Township of Jamestown  
Revenues from the State of Michigan  
Fiscal Years Ended March 31, 2000 Through 2004**

	<u>Fiscal Years Ended or Ending March 31</u>				
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Sales Tax.....	<u>\$ 333,134</u>	<u>\$ 344,146</u>	<u>\$ 455,531</u>	<u>\$ 386,837</u>	<u>\$ 358,839</u>

Source: Charter Township of Jamestown

**Legal Debt Margin**

Pursuant to the statutory and constitutional debt provisions set forth herein, the following table reflects the amount of additional debt the Township may legally incur as of March 31, 2004.

Debt Limit (1) .....	\$22,372,790
Debt Outstanding.....	\$3,761,950
Less: Exempt Debt .....	<u>3,070,000</u>
	<u>691,950</u>
Legal Debt Margin .....	<u>\$21,680,840</u>

(1) 10% of \$223,727,900 Township's Total SEV for the fiscal year ended March 31, 2004.  
Source: Charter Township of Jamestown.

## Debt Statement

The following table reflects a breakdown of the Township's direct and overlapping debt as of March 31, 2004.

To the extent necessary, the Township may levy taxes on all taxable property within its boundaries without limitation as to rate or amount to pay the principal of and interest due on the bonds in the following table, which are designated as "UT". However, the Township's ability to levy tax to pay the debt service on the bonds, which are designated as "LT" is subject to applicable charter, statutory, and constitutional limitations.

<u>Township Direct Debt</u>	<u>Gross</u>	<u>Self-Supporting</u>	<u>Net</u>
General Obligation Bonds:			
Library construction dated 1998 (UT) .....	\$ 655,000	\$ -0-	\$ 655,000
Water and Sewer Revenue Bonds:	785,000	785,000	-0-
Dated March 1, 1996 (LT) .....	1,325,000	1,325,000	-0-
Dated April 1, 1999 (LT) .....	960,000	960,000	-0-
Dated October 1, 2000 (LT) .....			
Subtotal .....	3,070,000	3,070,000	-0-
Other Obligations:			
Intercounty drain obligation dated 1995.....	36,950	-0-	36,950
Totals .....	\$ 3,761,950	\$3,070,000	\$ 691,950

Per Capita Net Township Direct Debt (1) ..... \$137  
Percent of Net Direct Debt to SEV (2) ..... 0.31%

<u>Overlapping Debt (3)</u>	<u>Township Share</u>		<u>Net</u>
	<u>Gross</u>	<u>As Percent of Gross</u>	
Hudsonville School District.....	\$ 97,612,685	17.72%	\$17,296,968
Grandville School District .....	47,890,000	1.07	512,423
Ottawa County .....	18,090,000	2.16	390,744
Grand Rapids Community College.....	60,195,000	0.07	42,137
Ottawa Intermediate School District.....	8,130,000	1.76	143,088
Totals.....	\$231,917,685		\$18,385,360

Per Capita Net Overlapping Debt (1) ..... \$3,632  
Percent of Net Overlapping Debt to SEV (2) ..... 8.22%

Per Capita Net Direct and Overlapping Debt (1) ..... \$3,769  
Percent of Net Direct and Overlapping Debt to SEV (2) ..... 8.53%

(1) Based on the Township's 2000 census population of 5,062.

(2) Based on \$223,727,900 which is the Township's SEV for the fiscal year ended March 31, 2004. Includes the value of property granted tax abatement under Act 198.

(3) Overlapping debt is the portion of another taxing unit's debt for which property taxpayers of the Township are liable in addition to debt issued by the Township.

Source: Charter Township of Jamestown